



Retail Banking

Morgan Stanley European Financials Conference

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Here for good

Forward looking statements

This document contains or incorporates by reference “forward-looking statements” regarding the belief or current expectations of Standard Chartered PLC (the “Company”), the board of the Company (the “Directors”) and other members of its senior management about the strategy, businesses and performance of the Company and its subsidiaries (the “Group”) and the other matters described in this document. Generally, words such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions are intended to identify forward-looking statements.

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Key Messages

Strategy

- Vision: Become best bank for affluent, emerging affluent & business clients
- Full relationship approach, digital end-to-end, focus on core cities
- Challenging conditions in some markets but opportunities remain compelling

Progress

- 2 years into transformation with encouraging progress
- Improved share of income from Priority clients to 39% (2014: 28%)
- Significant investment in digital to improve client experience
- Commenced multi-year Wealth Management technology overhaul
- Launched focused campaigns with new alliance partners: Allianz, Uber and Asia Miles

Priorities

- Drive return on investments through both income and cost lines
- Improve quality of income – client and product mix, and risk profile
- Reinvigorate our brand, simplify our product and service offering

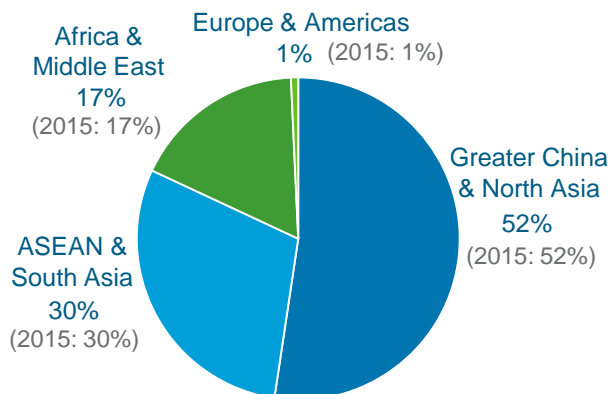
Full Service Retail Bank with 9 Million Customers in 32 Countries

- ✓ Over 9 million individual and business clients
- ✓ 1,068 branches and ~30,000 staff in 32 countries
- ✓ Focused in 63 core cities across 24 countries
- ✓ Significant net liquidity provider

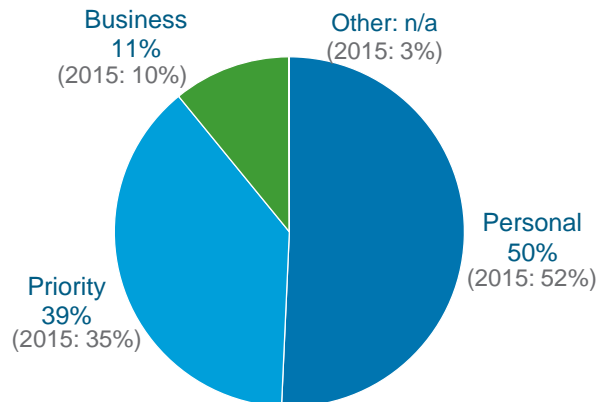
Retail Banking FY16 financial performance

\$m	FY15	FY16	YoY ¹	% of Group
Operating income	5,107	4,669	(9)%	34%
Operating expenses	(3,510)	(3,413)	3%	
Pre-provision operating profit	1,597	1,256	(21)%	33%
Total impairment	(678)	(490)	28%	
Underlying profit	919	766	(17)%	70%
Statutory profit	524	719	37%	
Customer loans and advances (\$bn)	95	93	(1)%	37%
Customer deposits (\$bn)	115	117	2%	31%
RWA (\$bn)	48	42	(12)%	16%

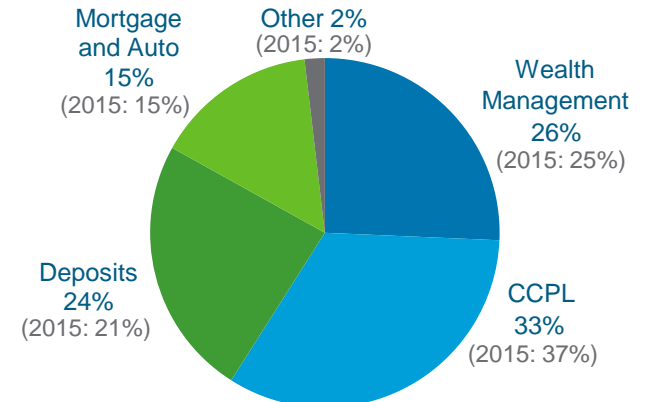
Income by region



Income by segment

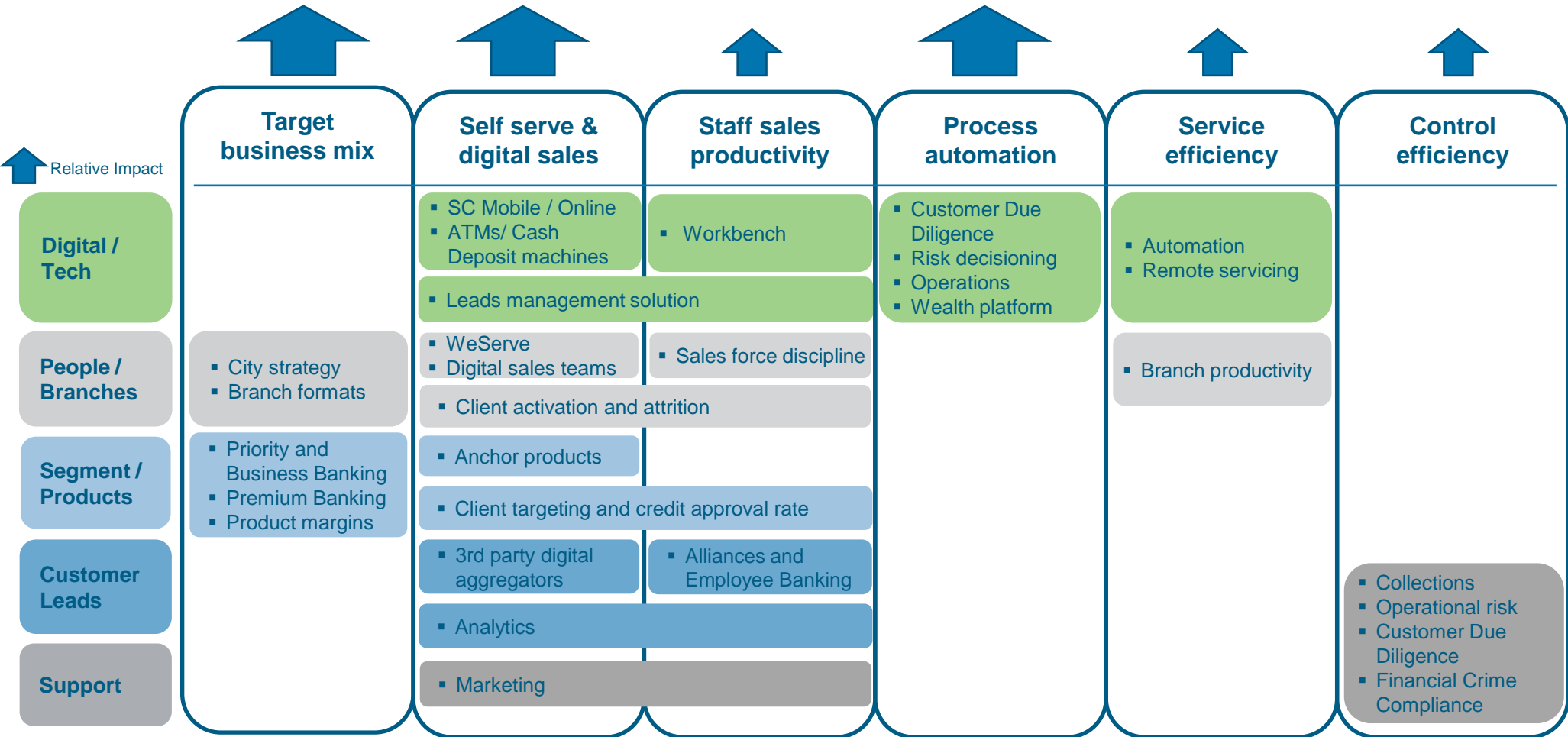


Income by product



Drive Retail Returns and Improve Cost-to-Income Ratio

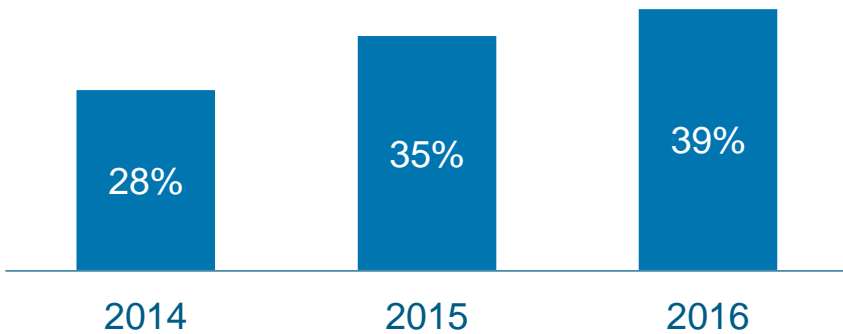
Accelerate retail transformation, drive 'digital with a human touch'



Target Business Mix: Pivot to Priority and Business Clients

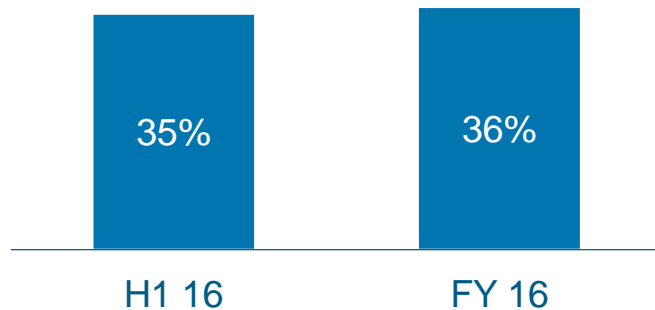
Priority now 39% of Retail Banking income

Acquired over 90,000 NTB Priority clients in 2016



36% of new clients from Employee Banking

~1.5x average revenue of personal client



Launching Premium for Emerging Affluent

- Emerging affluent clients with a higher revenue potential
- Future Priority
- 9 markets in 2017/18

Standard Chartered

Celebrate your success with our new Premium programme

Success is never easy, but getting recognized and rewarded for it is.

Enjoy exclusive rewards and promotions, preferential pricing and enhanced services.

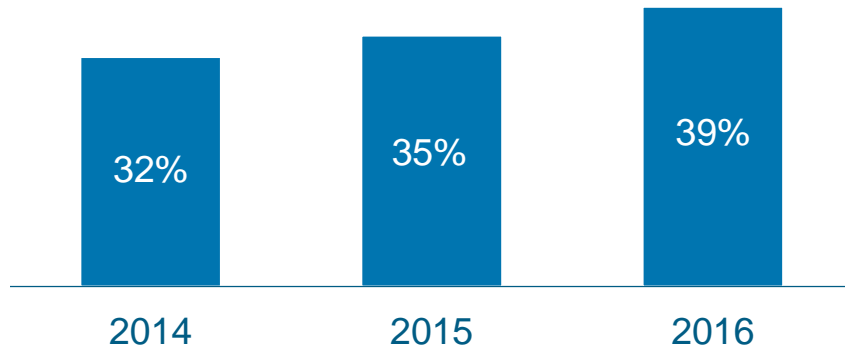
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Self Serve and Digital Sales: Increase Share of Digital Sales

Increased proportion of digitally active clients

Online applications doubled in 2016



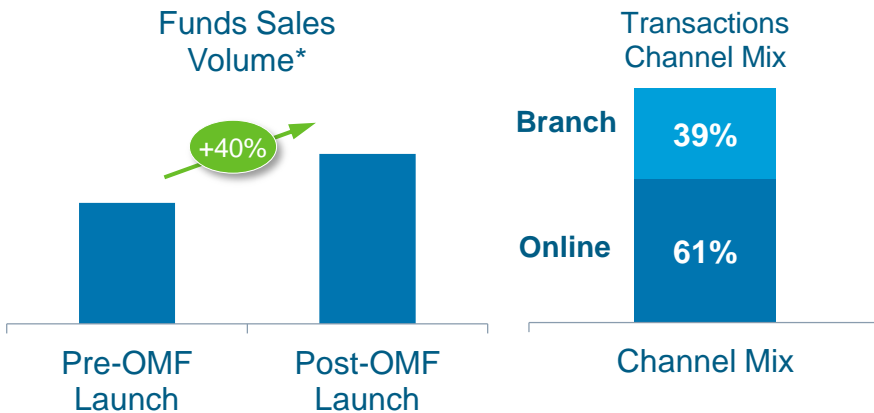
Continue to invest in payment capabilities

	Contact less	Apple Pay	Samsung Pay	Android Pay
Singapore	✓	✓	✓	✓
Hong Kong	✓	✓		✓
Korea	✓		✓	
Taiwan	✓	✓		
India	✓		✓	
Malaysia	✓		✓	

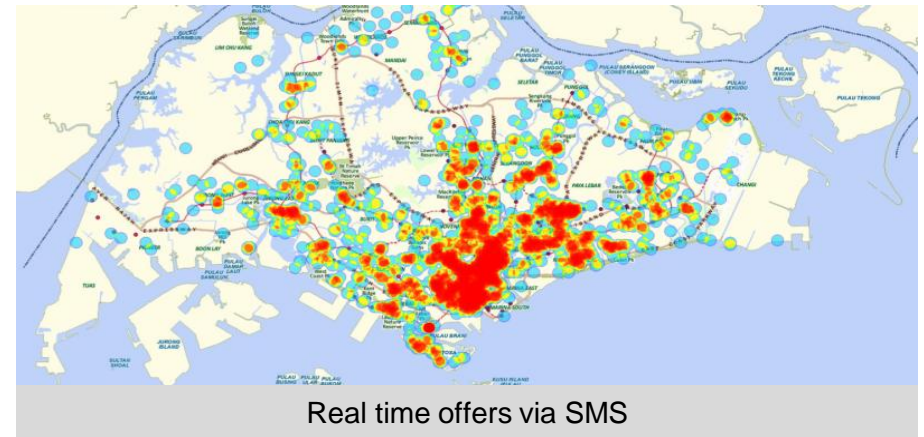
✓ Launched to date ✓ Planned for H1 17

Digital wealth: initial success

Case in point: China online mutual funds (OMF)



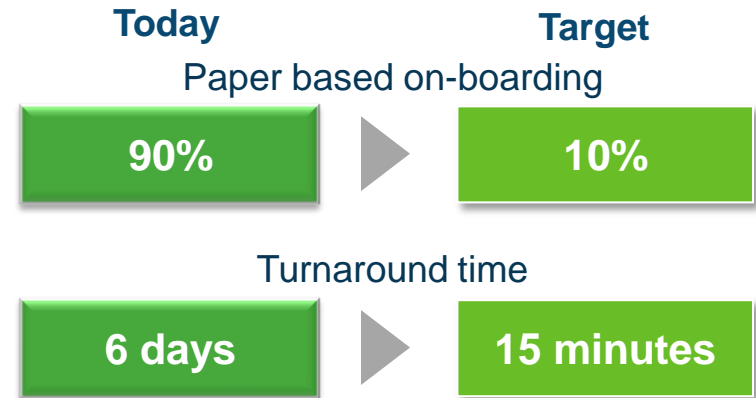
Analytics for real-time, personalised offers



Process Automation and Service Efficiency

End-to-end digital automation to enhance process efficiency and customer experience

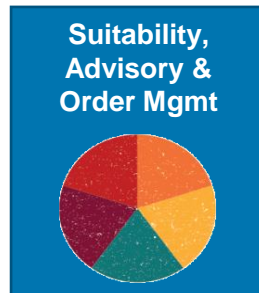
- Single platform for data maintenance
- Standardised CDD procedures
- Instant credit risk decisioning
- Data locker: client information update digitally
- End-to-end automation for onboarding processes



Global Wealth Platform



Consolidated view of portfolio



Straight through order capturing (funds and bonds)



Tailored to client risk profiles and investment holdings

Remote servicing at a click

- Click to Chat and Video launched in 7 markets
- 3 new channels: Video, IP audio and chat
- Voice authentication deployed in UAE and India with further launches planned

Q&A